

THE LANE LAW FIRM, PLLC  
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COUNSEL FOR DEBTOR

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE NORTHERN DISTRICT OF TEXAS  
DALLAS DIVISION**

**IN RE:** §  
**FREDRICK LEE PRESS PLUMBING, LLC** §  
**DEBTOR** § **BANKRUPTCY CASE NO. 23-32662**

**DEBTOR'S SUBCHAPTER V STATUS REPORT**  
[11 U.S.C. § 1188(c)]

TO THE HONORABLE UNITED STATES BANKRUPTCY JUDGE:

COMES NOW, Fredrick Lee Press Plumbing, LLC, Debtor and Debtor-in-Possession in the above-styled and numbered Chapter 11 case (the "Debtor") and, in accordance with the provisions of 11 U.S.C. §1188(c), files this *Debtor's Subchapter V Status Report* (the "Report") and would respectfully show the Court as follows:

**BACKGROUND**

1. Fredrick Lee Press Plumbing, LLC manages and operates residential and commercial plumbing company.
2. This case commenced by the filing of a voluntary petition under Chapter 11 of Title 11 of the United States Code, 11 U.S.C. §§ 101-1532 ("Bankruptcy Code") on November 14, 2023 ("Petition Date").
3. Debtor filed the following first day motions on November 14, 2023:
  - A. Application to Employ The Lane Law Firm, PLLC;
  - B. Motion for Authority to Use Cash Collateral with expedited motion request;
  - C. Motion to Waive Appearance Local Rule Requirement;
  - D. Motion to Pay Pre-Petition Wages with expedited motion request;

E. Motion for Approval of Post-Petition Payments.

4. A Sub Chapter V Trustee, Frances A. Smith, was appointed on November 17, 2023 (Docket No. 24).

5. As of December 20, 2023, all schedules, statements, and any other required documents have been filed and no outstanding documents remain.

6. Debtor filed the required Balance Sheet, Statement of Operations and Cash-flow Statement on November 14, 2023 (Docket No.'s 3, 4 & 5) per 11 USC §1187(a).

7. Debtor attended the Initial Debtor Interview on December 6, 2023 and all documents requested and required were produced to the United States Trustee.

8. Debtor maintains and continues to maintain all required insurance customary to its line of business.

9. Debtor has filed all tax returns required to date.

10. Debtor filed an Application to Employ CPA on December 6, 2023 which remains pending.

11. The Court held an interim cash collateral hearing on November 16, 2023 and a final hearing on December 14, 2023. Both an interim and final orders were entered by the Court on cash collateral.

12. Debtor has not used, sold and/or leased any property of the bankruptcy estate that an entity contends is its cash collateral.

13. The 341 Meeting of Creditors is scheduled for December 21, 2023. All items requested at the 341 Meeting have been or will be provided.

14. The Debtor's first monthly operating report was filed December 21, 2023.

15. This Status Report was timely filed on December 27, 2023.

16. Debtor will file the proposed plan by the 90-day deadline in this case.

17. Sections 1181-1195 of Title 11 of the United States Code (Small Business Reorganization Act, “SBRA”) are intended to

“streamline the process by which small business debtors reorganize and rehabilitate their financial affairs.” Report of Committee on the Judiciary, House of Representatives, Report 116- 171, 116th Cong., 1st Sess., on Small Business Reorganization Act of 2019, page 1. As such, there are certain deadlines that must be achieved, which deadlines may be extended only if “the need for an extension is attributable to circumstances for which the debtor should not justly be held accountable.” *See e.g.* 11 U.S.C. §§ 1188(b) (court status conference within 60 days of the petition date), 1188(c) (debtor shall file and serve a report on efforts undertaken to obtain a consensual plan 14 days prior to the § 1188(b) status conference), and 1189(b) (debtor shall file a plan within 90 days of the petition date).

18. The Court, in accordance with the foregoing, selected an appropriate date for the required status conference and notice of the date and time of this status conference was provided by the Court per the Order entered on January 11, 2024 at 1:30 PM (Docket No. 26).

#### **OFFER TO ACHIEVE CONSENSUAL PLAN OF REORGANIZATION**

19. One of the objectives of SBRA is to facilitate a consensual plan of reorganization by and between the Debtor and its creditors. This Report is filed and served upon all interested parties in an effort to achieve that goal.

#### **PLAN PROPOSAL**

20. The following is the Debtor’s report of its anticipated plan proposal for its creditors and is subject to Federal Rule of Evidence 408. For purposes of this proposal, the term “Allowed Secured Claim” is defined as a claim that is both allowed pursuant to the provisions of 11 U.S.C. §§ 502 and 506 in that it has not been objected to by the Debtor and is secured by property of the Debtor’s bankruptcy estate.

21. Once the plan is filed and ballots mailed out, Debtor will begin to reach out to creditors in order to get acceptance ballots back prior to any ballot deadline. The goal is for any proposed plan to be consensual.

22. The disputed unsecured claims of certain creditors as listed below in Class 3 and Class 4 will remain unclear until the proof of claim bar date passes on January 23, 2024. The Debtor will not

know the exact amounts owed to certain disputed creditors until the bar date. Debtor anticipates that some claims will require objections and possible adversary proceedings to resolve the disputed claims.

### SUMMARY OF PROPOSED PLAN TREATMENT

**Unclassified Administrative Expense Claims:**

Type	Estimated Amount	Treatment
Subchapter V Trustee	\$6,000.00	Through Court approved fee applications

**Administrative Claims:**

Description	Estimated Amount	Treatment
The Lane Law Firm	\$35,000.00 (estimated total fees and expenses)	Through Court approved fee applications

**Priority Tax Claims:**

<u>CLASS</u>	<u>DESCRIPTION</u>	<u>IMPAIRED</u>	<u>METHOD OF PAYMENT</u>	<u>ESTIMATED ALLOWED CLAIM</u>	<u>ESTIMATED DISTRIBUTION</u>
Class 2-1	Kaufman County (Claim No. 2-1)	No	Debtor will pay this claim on the Effective Date of the Plan or as it comes due in the ordinary course of business.	\$2,199.65	N/A
Class 2-2	Forney ISD (Claim No. 3-1)	No	Debtor will pay this claim on the Effective Date of the Plan or as it comes due in the ordinary course of business.	\$4,558.53	N/A

**Secured Claims:**

<u>CLASS</u>	<u>DESCRIPTION</u>	<u>IMPAIRED</u>	<u>METHOD OF PAYMENT</u>	<u>ESTIMATED ALLOWED CLAIM</u>	<u>ESTIMATED DISTRIBUTION</u>
Class 3-1	US Small Business Administration/SBA (Claim No. 1-1)	Yes	The Secured portion of the Claim is to be paid in full based on the proof of claim filed or the liquidation analysis values. The amount will be paid at 8.50% interest over 60 months upon plan confirmation. Approximate monthly payment would be \$10,653.03. The unsecured portion of this claim will be treated in the unsecured claims class of the proposed plan.	\$519,241.39	\$639,181.93
Class 3-2	Samson MCA LLC (Claim No. 4-1)	Yes	The Secured portion of the Claim estimated at \$235,451.00 is to be paid in full based on the proof of claim filed or the liquidation analysis values. The amount will be paid at 8.50% interest over 60 months upon plan confirmation. Approximate monthly payment would be \$4,830.64. The unsecured portion of this claim will be treated in the unsecured claims class of the proposed plan.	\$235,451.00	\$289,838.27
Class 3-3	Newtek Small Business Finance	Yes	Based on the petition date and the date of the UCC lien filed as to the Debtor, this claim is under secured. The unsecured portion of	\$2,000,000.00	N/A

			this claim will be treated in the unsecured claims class of the proposed plan.		
Class 3-4	Ally Bank (Claim No. 5-1)	Yes	Debtor will pay the value of the property of \$69,875.00 over 60 monthly payments at 8.50% per annum. The estimated monthly payment would be \$1,433.59.	\$69,875.00	\$86,015.56
Class 3-5	Ally Bank (Claim No. 17-1)	Yes	Debtor will pay the value of the property of \$69,875.00 over 60 monthly payments at 8.50% per annum. The estimated monthly payment would be \$1,433.59.	\$69,875.00	\$86,015.56
Class 3-6	Ford Motor Credit Company (Claim No. 6-1)	Yes	Debtor will pay the full secured claim in the amount of \$12,855.55 over 60 equal monthly payments at 8.50% per annum. The estimated monthly payment would be \$263.75. Once a Proposed Plan is filed, the claim amount will be offset by the adequate payments received.	\$12,855.55	\$15,825.08
Class 3-7	Ford Motor Credit Company (Claim No. 7-1)	Yes	Debtor will pay the full secured claim in the amount of \$10,484.08 over 60 equal monthly payments at 8.50% per annum. The estimated monthly payment would be \$215.10. Once a Proposed Plan is filed, the claim amount will be offset by the adequate payments received.	\$10,484.08	\$12,905.82
Class 3-8	Ford Motor Credit Company (Claim No. 8-1)	Yes	Debtor will pay the full secured claim in the amount of \$35,907.21 over 60 equal monthly payments at 8.50% per annum. The estimated	\$35,907.21	\$44,201.48

			monthly payment would be \$736.69. Once a Proposed Plan is filed, the claim amount will be offset by the adequate payments received.		
Class 3-9	Ford Motor Credit Company (Claim No. 9-1)	Yes	Debtor will pay the full secured claim in the amount of \$42,727.94 over 60 equal monthly payments at 8.50% per annum. The estimated monthly payment would be \$876.63. Once a Proposed Plan is filed, the claim amount will be offset by the adequate payments received.	\$42,727.94	\$52,597.75
Class 3-10	Ford Motor Credit Company (Claim No. 10-1)	Yes	Debtor will pay the full secured claim in the amount of \$37,402.13 over 60 equal monthly payments at 8.50% per annum. The estimated monthly payment would be \$767.36. Once a Proposed Plan is filed, the claim amount will be offset by the adequate payments received.	\$37,402.13	\$46,041.72
Class 3-11	Ford Motor Credit Company (Claim No. 11-1)	Yes	Debtor will pay the full secured claim in the amount of \$37,479.68 over 60 equal monthly payments at 8.50% per annum. The estimated monthly payment would be \$768.95. Once a Proposed Plan is filed, the claim amount will be offset by the adequate payments received.	\$37,479.68	\$46,137.18
Class 3-12	Ford Motor Credit Company (Claim No. 12-1)	Yes	Debtor will pay the value of the vehicle of \$36,500.00 over 60 equal monthly payments at 8.50% per annum. The estimated	\$36,500.00	\$44,931.20

			monthly payment would be \$748.85. Once a Proposed Plan is filed, the claim amount will be offset by the adequate payments received.		
Class 3-13	Ford Motor Credit Company (Claim No. 13-1)	Yes	Debtor will pay the secured claim of \$206,277.75 over 60 equal monthly payments at 8.50% per annum. The estimated monthly payment would be \$4,232.10. Once a Proposed Plan is filed, the claim amount will be offset by the adequate payments received.	\$206,277.75	\$253,926.24
Class 3-14	Ford Motor Credit Company (Claim No. 14-1)	Yes	Debtor will pay the secured claim of \$206,085.47 over 60 equal monthly payments at 8.50% per annum. The estimated monthly payment would be \$4,228.16. Once a Proposed Plan is filed, the claim amount will be offset by the adequate payments received.	\$206,085.47	\$253,689.54
Class 3-15	Ford Motor Credit Company (Claim No. 15-1)	Yes	Debtor will pay the secured claim of \$108,173.41 over 60 equal monthly payments at 8.50% per annum. The estimated monthly payment would be \$2,219.34. Once a Proposed Plan is filed, the claim amount will be offset by the adequate payments received.	\$108,173.41	\$133,160.59
Class 3-16	Ford Motor Credit Company (Claim No. 16-1)	Yes	Debtor will pay the value of the vehicle of \$32,500.00 over 60 equal monthly payments at 8.50% per annum. The estimated	\$32,500.00	\$40,007.24



			monthly payment would be \$666.79. Once a Proposed Plan is filed, the claim amount will be offset by the adequate payments received.		
Class 3-17	Mercedes Benz Financial (2022 MB Sprinter Vin 1107)	Yes	Debtor will pay the secured claim of \$35,473.26 over 60 equal monthly payments at 8.50% per annum. The estimated monthly payment would be \$727.79.	\$35,473.26	\$43,667.30
Class 3-18	Mercedes Benz Financial (2022 MB Sprinter Vin 2038)	Yes	Debtor will pay the secured claim of \$42,787.96 over 60 equal monthly payments at 8.50% per annum. The estimated monthly payment would be \$877.86.	\$42,787.96	\$52,671.63
Class 3-19	Mercedes Benz Financial (2022 MB Sprinter Vin 4364)	Yes	Debtor will pay the value of \$41,800.00 over 60 equal monthly payments at 8.50% per annum. The estimated monthly payment would be \$857.59.	\$41,800.00	\$51,455.46
Class 3-20	Mercedes Benz Financial (2022 MB Sprinter Vin 6146)	Yes	Debtor will pay the secured claim of \$39,264.37 over 60 equal monthly payments at 8.50% per annum. The estimated monthly payment would be \$805.57.	\$39,264.37	\$48,334.12
Class 3-21	Mercedes Benz Financial (2022 MB Sprinter Vin 2391)	Yes	Debtor will pay the value of \$43,850.00 over 60 equal monthly payments at 8.50% per annum. The estimated monthly payment would be \$899.65.	\$43,850.00	\$53,978.99
Class 3-22	Mercedes Benz Financial (2022 MB Sprinter Vin 2805)	Yes	Debtor will pay the value of \$41,800.00 over 60 equal monthly payments at 8.50% per annum. The estimated monthly payment would be \$857.59.	\$41,800.00	\$51,455.46

Class 3-23	Mercedes Benz Financial (2022 MB Sprinter Vin 9537)	Yes	Debtor will pay the value of \$41,800.00 over 60 equal monthly payments at 8.50% per annum. The estimated monthly payment would be \$857.59.	\$41,800.00	\$51,455.46
Class 3-24	Mercedes Benz Financial (2022 MB Sprinter Vin 5007)	Yes	Debtor will pay the value of \$140,000.00 over 60 equal monthly payments at 8.50% per annum. The estimated monthly payment would be \$2,872.31.	\$140,000.00	\$172,338.86
Class 3-25	Mercedes Benz Financial (2022 MB Sprinter Vin 1075)	Yes	Debtor will pay the value of \$84,250.00 over 60 equal monthly payments at 8.50% per annum. The estimated monthly payment would be \$1,728.52.	\$84,250.00	\$103,711.07

**General Unsecured Claims:**

<b><u>CLASS</u></b>	<b><u>DESCRIPTION</u></b>	<b><u>IMPAIRED</u></b>	<b><u>METHOD OF PAYMENT</u></b>	<b><u>ESTIMATED TOTAL CLAIMS</u></b>	<b><u>ESTIMATED DISTRIBUTION</u></b>
Class 4-1	General Unsecured Claims	Yes	Pro Rata distribution from unsecured creditor pool paid following payment of all allowed secured claims and all allowed administrative expense claims.	Unclear at this time, but claims may approach or exceed \$2,500,000.00 – includes under secured claims.	Over 60 months at 0.00% per annum as determined by the liquidation analysis and terms of any objections of proof of claims.

**CONCLUSION**

23. The Debtor is asking you to consider the foregoing proposal and provide feedback in order to facilitate the confirmation of a consensual plan. As referenced above, a status conference on this matter will be held on January 11, 2024 at 1:30 PM (Docket No. 26).

Respectfully submitted,

THE LANE LAW FIRM, PLLC  
/s/Robert C. Lane  
Robert C. Lane  
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Joshua D. Gordon  
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COUNSEL FOR DEBTOR

**CERTIFICATE OF SERVICE**

I hereby certify that a true and correct copy of the Debtor's 1188 Status Report was served upon the US Trustee and to the parties listed on the service list below and the attached mailing matrix either via electronic notice by the court's ECF noticing system or by United States first class mail, postage prepaid, on December 27, 2023:

Debtor:

Fredrick Lee Press Plumbing, LLC  
9056 FM 1641  
Terrell, Texas 75160

US Trustee:

Office of the U.S. Trustee:  
1100 Commerce Street  
Room 976  
Dallas, TX 75242

Parties Requesting Notice

Eboney D. Cobb on behalf of Creditor Forney ISD  
ecobb@pbfcm.com, ecobb@pbfcm.com;ecobb@ecf.inforuptcy.com

Courtney Jane Hull on behalf of Creditor Texas Comptroller of Public Accounts, Revenue Accounting Division  
bk-chull@oag.texas.gov, sherri.simpson@oag.texas.gov

Robert Lane on behalf of Debtor Fredrick Lee Press Plumbing, LLC  
chip.lane@lanelaw.com, thelanelawfirm@jubileebk.net;notifications@lanelaw.com

Frances A. Smith on behalf of Trustee Frances A. Smith (SBRA V)  
frances.smith@rsbfirm.com, michael.coulombe@rsbfirm.com;cfas11@trustesolutions.net

Frances A. Smith (SBRA V)  
frances.smith@judithwross.com

Matthew Thomas Taplett on behalf of Creditor Newtek Small Business Finance, LLC  
mtaplett@popehardwicke.com

Dawn Whalen Theiss on behalf of Creditor Small Business Administration  
dawn.theiss@usdoj.gov, brooke.lewis@usdoj.gov;CaseView.ECF@usdoj.gov

John Kendrick Turner on behalf of Creditor Kaufman County  
john.turner@lgbs.com, Dora.Casiano-Perez@lgbs.com;Dallas.Bankruptcy@lgbs.com

United States Trustee  
ustpreion06.da.ecf@usdoj.gov

Stephen Wilcox on behalf of Creditor Ford Motor Credit Company LLC  
kraudry@wilcoxlaw.net,  
swilcoxndtx@wilcoxlaw.net;krw77@sbcglobal.net;kraudry@ecf.inforuptcy.com

Stephen Wilcox on behalf of Creditor Lincoln Automotive Financial Services  
kraudry@wilcoxlaw.net,  
swilcoxndtx@wilcoxlaw.net;krw77@sbcglobal.net;kraudry@ecf.inforuptcy.com

/s/ Robert "Chip" Lane  
Robert "Chip" Lane

Label Matrix for local noticing

0539-3

Case 23-32662-mvl11

Northern District of Texas

Dallas

Wed Dec 27 08:16:44 CST 2023

Fredrick Lee Press Plumbing, LLC

9056 FM 1641

Terrell, TX 75160-7366

Texas Comptroller of Public Accounts, Revenu

Courtney J. Hull

P.O. Box 12548

Austin, TX 78711-2548

1100 Commerce Street

Room 1254

Dallas, TX 75242-1305

Bizfund LLC

2371 Mcdonald Ave 2nd Fl

Brooklyn, NY 11223-4738

DeLaura Press

9056 FM 1641

Terrell, TX 75160-7366

(p)FORD MOTOR CREDIT COMPANY

P O BOX 62180

COLORADO SPRINGS CO 80962-2180

Fox Capital Group, Inc.

803 S 21st Avenue

Hollywood, FL 33020-6962

Fundbox

6900 Dallas Parkway 700

Plano, TX 75024-7188

Lincoln Automotive Financial Services

c/o National Bankruptcy Service Center

P.O. Box 62180

Colorado Springs, CO 80962-2180

Ally Bank, c/o AIS Portfolio Services, LLC

4515 N Santa Fe Ave. Dept. APS

Oklahoma City, OK 73118-7901

Kaufman County

Linebarger Goggan Blair & Sampson, LLP

c/o John Kendrick Turner

2777 N. Stemmons Freeway

Suite 1000

Dallas, TX 75207-2328

U.S. Attorney

1100 Commerce, 3rd Floor

Dallas, TX 75242-1074

Ally Bank

AIS Portfolio Services, LLC

4515 N Santa Fe Ave. Dept. APS

Oklahoma City, OK 73118-7901

Blue Ribbon Funding

1317 Edgewater Drive Suite 1845

Orlando, FL 32804-6350

Ershowsky Verstandig

290 Central Avenue Suite 109

Lawrence, NY 11559-8507

Ford Motor Credit Company LLC

c/o Wilcox Law, PLLC

P.O. Box 201849

Arlington, TX 76006-1849

Fredrick Lee Press

9056 FM 1641

Terrell, TX 75160-7366

Global Merchant Cash Inc.

640 Beavers Street 415

New York, NY 10004

Mercedes Benz Financial

PO Box 685

Roanoke, TX 76262-0685

Forney ISD

% Perdue Brandon Fielder Et Al

500 E. Border Street

Suite 640

Arlington, TX 76010-7457

Newtek Small Business Finance, LLC

c/o Matthew T. Taplett, Esq.

500 W.7th St., Suite 600

Fort Worth, TX 76102-4751

U.S. Attorney General

Department of Justice

Washington, DC 20001

Berkovitch & Bouskila, PLLC

1545 US 202 Suite 101

Pomona, NY 10970-2951

Brandy Press-Smith

9056 FM 1641

Terrell, TX 75160-7366

Ford Motor Credit Co.

Bankruptcy Department

Post Office Box 542000

Omaha, NE 68154-8000

Forney ISD

c/o Perdue Brandon Fielder et al

500 East Border Street, Suite 640

Arlington, TX 76010-7457

Fundation Group LLC

11501 Sunset Hills Road Suite 100

Reston, VA 20190-6700

Knightsbridge Funding LLC

40 Wall Street Suite 2903

New York, NY 10005-1304

Nathaniel Smith

9056 FM 1641

Terrell, TX 75160-7366

Samson Group  
400 Rella Blvd Suite 165-101  
Suffern, NY 10901-4241

Samson MCA LLC  
1545 Route 202  
1545 Route 202  
Pomona, NY 10970-2951

Swift Funding Source Inc  
2474 McDonald Ave  
Brooklyn, NY 11223-5233

The Lane Law Firm  
6200 Savoy Dr Ste 1150  
Houston, TX 77036-3369

U.S. Small Business Administration  
Loan Servicing Center  
2120 Riverfront Drive Suite 100  
Little Rock, AR 72202-1794

US Small Business Administration  
150 Westpark Way  
Suite 130  
Euless, TX 76040-3705

United States Trustee  
1100 Commerce Street  
Room 976  
Dallas, TX 75242-0996

Zahav Asset Management LLC  
234 Cedarhurst Ave. Apt. 21B  
Cedarhurst, NY 11516-1608

Frances A. Smith (SBRA V)  
Ross & Smith, PC  
700 N Pearl St, Suite 1610  
Dallas, TX 75201-7459

Robert Lane  
The Lane Law Firm  
6200 Savoy, Suite 1150  
Houston, TX 77036-3369

The preferred mailing address (p) above has been substituted for the following entity/entities as so specified by said entity/entities in a Notice of Address filed pursuant to 11 U.S.C. 342(f) and Fed.R.Bank.P. 2002 (g) (4).

Ford Motor Credit Company LLC  
c/o National Bankruptcy Service Center  
P.O. Box 62180  
Colorado Springs, CO 80962-2180

(d)Ford Motor Credit Company LLC  
c/o National Bankruptcy Service Center  
PO Box 62180  
Colorado Springs, CO 80962

The following recipients may be/have been bypassed for notice due to an undeliverable (u) or duplicate (d) address.

(u)Ford Motor Credit Company LLC

(u)Lincoln Automotive Financial Services

(u)Small Business Administration

(u)The Lane Law Firm, PLLC

(d)Ally Bank c/o AIS Portfolio Services, LLC  
4515 N. Santa Fe Ave. Dept. APS  
Oklahoma City, OK 73118-7901

(d)Fredrick Lee Press Plumbing, LLC  
9056 FM 1641  
Terrell, TX 75160-7366

